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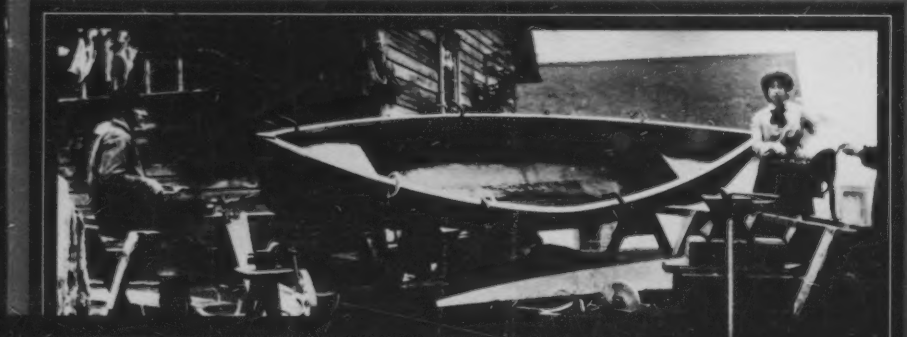
ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska



Alaska Occupational Employment Outlook

Alaska Economic Trends

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The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

Benchmark date March 1985.

P/ Denotes preliminary estimates.
R/ Denotes revised estimates.

Alaska Occupational Employment Outlook

By John Van Houten and Kelly Wheeler

The latest set of occupational projections by Research and Analysis indicate some growth for nearly all occupations in Alaska between 1985 and 1990 except those heavily associated with the construction industry. Employment in white collar occupations (a broad group of professional and technical, clerical, sales, and managerial and administrative workers) is projected to provide 58 percent of the job openings that will result from growth and replacement needs.[1] Craft, operative, and laborer jobs are projected to provide 22 percent of the job openings. This group will continue a decline in its share of total employment as its growth is influenced by technological change and the relatively faster growth of the other groups. The service group of occupations (cleaning, food, health, and protective services) accounts for 19 percent of the projected openings. Although the smallest of the three major groups, service occupations is increasing at the fastest rate.

The employment projections were produced from an Industry-Occupation (I-O) Matrix based on Occupational Employment Statistics (OES) industry surveys that cover Alaska's nonagricultural and nonmilitary wage and salary employment. The projections were made on the assumption that oil prices will rebound and stabilize at $18-20 per barrel for most of the projection period. While the probability of oil returning to such a level now seems unlikely, and the projections may be somewhat high, the relative values of the projected occupational employments remain much the same. Moreover, there are some employment trends not apparent from the projection data. For example, it's likely there will be an increase in part-time and temporary employment, shorter work weeks, and job sharing. These trends are likely to become more pronounced as a consequence of the current Alaskan economic slowdown and the fact that many of the jobs resulting from industry growth are among the lowest paying. Total wages earned by an employee from a single job under these circumstances may not provide sufficient income or continue to keep pace with living costs and thus necessitate multiple job holding.[2]

Table 1 shows the top 32 specific occupations ranked by the number of job openings that will result from industry growth and replacement needs (retirement and death). One-half of these occupations, which account for 29 percent of the total openings for all occupations, are low-skill jobs that require training of three months or less. One in five of the top 32 requires a minimum of a baccalaureate or equivalent.

The projections show that tomorrow's job opportunities in Alaska will

be much the same as today. Despite considerable attention focused on new and emerging occupations associated with high technology, the employment opportunities they will provide are expected to be small in Alaska. The significance of new technologies is usually that they change existing jobs, changes that often require retraining, while the general occupational characteristics remain. These projections clearly indicate that most employment opportunities will continue to be concentrated in service and trade industries. Table 2 lists occupations with the highest projected growth rates. None are classified as high-tech occupations and the top 20 listed account for only 4.3 percent of total projected job growth of the 500 occupations in Alaska.

Table 3 lists 44 high employment occupations that account for 48 percent of the total projected job openings. Each occupation includes estimated 1985 employment, the percent change in employment projected between 1985 and 1990, the numerical change, and a brief employment prospects statement taken from the Alaska Career Information System (AKCIS). More detailed information for the occupations listed in this table plus more than 200 others can be obtained from the AKCIS occupational information file.

Complete results of the estimates and projections for Alaska statewide, Anchorage-MatSu, and Fairbanks North Star Borough are available in the publication *Alaska Occupational Information*. This publication is available upon request.

Footnotes

1/ The number of job openings considered here does not include turnover openings that result when employees change jobs or occupations, or temporarily quit working. Turnover openings for some occupations may exceed growth and replacement openings, however, there is no good measurement available for turnover. Growth and replacement openings are more indicative of net needs and provide good comparative values for planners of employment, training and education programs.

2/The estimates and projections data are counts of jobs, not people. Occupational employment estimates of nonagricultural wage and salary employment do not distinguish between part-time and full-time jobs. Wage and salary employment also excludes self-employed which accounts for approximately 10 percent of all employment in Alaska.

Table 1
Thirty-Two Occupations with Largest Annual Average Job Openings*
1985-1990
Alaska Statewide

Occupation	Openings
Helpers/Laborers Material Movers	363
Salespersons: Retail	312
Cannery Workers	295
General Managers & Top Executives	262
Janitors & Cleaners	229
Cashiers	226
Bookkeeping/Accounting/Auditing Clerks	209
Secretaries	198
General Office Clerks	172
Waiters & Waitresses	171
Food Preparation & Service Workers: Fast Food	170
Maintenance Repairers: General Utility	147
Teachers: Secondary School	131
Teachers: Elementary School	127
Supervisors/Managers: Clerical	109
Food Preparation Workers	96
Financial Managers	91
Managers/Supervisors: Sales	86
Registered Nurses	85
Accountants & Auditors	81
Cooks, Restaurant	80
Stock Clerks: Sales Floor	70
Typists	67
Bartenders	67
Teacher Aides: Paraprofessional	59
Maids & Housekeeping Cleaners	58
Aircraft Pilots/Flight Engineers	58
Guards & Watch Guards	56
Receptionists & Information Clerks	56
Ticket Agents	50
Cooks: Specialty Fast Food	50
Cooks: Institution or Cafeteria	50

* Job openings that result from industry growth, and replacement needs due to retirement and death. These job openings account for 50 percent of the total number of job openings.

Table 2
Twenty Fastest Growing Occupations
1985-1990
Alaska Statewide

Occupation	Percent Growth in Employment	Numbers of Openings 1985-1990
Parking Enforcement Officer	27.3	*
Sales Agents: Real Est.	20.6	*
Loan Interviewers	20.0	17
Brokers: Real Estate	20.0	14
Metallurgical Engineers	20.0	*
Credit Authorizers	20.0	*
Property & Real Estate Managers	19.8	21
Tellers	19.4	211
Assessors	19.4	14
Transit Clerks	19.4	*
Loan & Credit Clerks	19.3	151
Sales Agents/Placers: Insurance	19.3	72
New Accounts Clerks	19.2	82
Insurance Policy Processing Clerks	19.2	40
Underwriters	19.2	38
Loan Officers & Counselors	19.1	55
Sales Agents: Securities	19.1	30
Municipal Clerks	19.1	25
Credit Analysts	18.9	17
Ticket Agents	18.8	178

*The projected number of openings is less than 10.

Alaska Hours and Earnings for Selected Industries 1/ 2/

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	P/ 6/86	R/ 5/86	6/85	P/ 6/86	R/ 5/86	6/85	P/ 6/86	R/ 5/86	6/85
Mining	1089.54	1132.33	1159.50	51.2	50.8	50.9	21.28	22.29	22.78
Construction	943.24	930.60	1019.24	39.4	39.6	42.1	23.94	23.50	24.21
Manufacturing	470.81	496.84	448.85	39.3	41.3	38.2	11.98	12.03	11.75
Food & Kindred Prod	278.17	302.98	261.74	34.3	38.4	33.3	8.11	7.89	7.86
Lumber & Paper Prod	794.81	764.00	783.38	50.4	49.1	49.3	15.77	15.56	15.89
Trans., Comm. & Utilities	555.31	550.25	589.35	36.8	35.8	37.9	15.09	15.37	15.55
Trade	376.96	372.76	408.91	34.3	32.9	35.1	10.99	11.33	11.65
Wholesale	502.36	485.54	561.68	37.8	36.7	37.9	13.29	13.23	14.82
Retail	327.03	331.69	353.96	32.9	31.5	34.1	9.94	10.53	10.38
Finance-Ins. & R.E.	391.23	385.78	464.63	34.9	34.2	37.2	11.21	11.28	12.49

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Table 3
The Job Outlook in Brief

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
MANAGERS and ADMINISTRATORS				
Education Administrators	1,029	9.4	97	Slight surplus of primary and secondary administrators in Alaska. Fewer out-of-state candidates are being recruited for these positions. Competition for positions with the State Department of Education is very keen. There is a surplus of community college and university administrators. Competition is also keen among qualified applicants for these openings.
Financial Managers	1,494	11.2	168	Surplus of applicants. An excess of qualified candidates exists in Alaska. Those with a strong area of expertise and a proven track record will have the most success.This position is usually filled by trainees or internal promotion because a thorough knowledge of the company or industry is essential.
PROFESSIONAL, PARAPROFESSIONAL, and TECHNICAL				
Accountants & Auditors	2,185	10.4	228	Shortage of fully trained auditors and certified public accountants (CPA). Demand exceeds the in-state yearly training capacity. Some employers are forced to recruit out-of-state. The outlook depends mainly on the health of Alaska's economy, greater use of accounting services by all sizes of firms and the public sector, complexity of tax laws, and government regulation of financial reporting. Studies indicate that these factors will generate a steady demand for accountants and auditors in Alaska. People interested in being a certified accountant should obtain good academic preparation before taking the qualifying exams.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
PROFESSIONAL (cont.)				
Drafters	788	9.3	73	Moderate shortage of experienced drafters. Surplus of those with limited training and experience. Opportunities are good for drafters with several years of experience. Sources indicate that opportunities for drafters in federal, state, and local governments should continue to increase; experience is preferred. The outlook for architectural drafters depends upon the level of resumption of commercial and residential building.
Electrical & Electronic Technicians	851	10.2	87	Surplus of entry-level applicants. Shortage of highly trained, skilled technicians. The outlook for this occupation in Alaska depends on the level of economic activity for organizations which use electronic equipment. Presently this use is growing and should provide additional opportunities for technicians. There may be a decline in the number of testing technician positions due to automation eliminating much of the routine work of electronics testing. The knowledge of computer programming is needed in some situations to work with software-driven equipment.
Lawyers	1,090	9.5	104	Surplus of applicants. The outlook depends on many factors that generate or reduce business such as new laws, landmark court decisions, intensity of law enforcement, cost of services, and replacement of lawyers leaving the profession. Currently, graduates are at record levels; thus, competition for jobs is keen and is expected to remain that way in years ahead. Alaska has a shortage of lawyers in some of the smaller rural communities. Because the state laws are not yet firmly established in this relatively "young state," it is an attractive place for ambitious lawyers. The recent oil, gas, and mineral development in Alaska is also providing job opportunities for lawyers.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
PROFESSIONAL (cont.)				
Nurses: Registered	2,591	10.2	264	Surplus of general duty nurses; shortage of qualified workers in specialty areas. The outlook depends on expansion of medical services, extension of prepayment programs for hospitalization and medical care, and increased interest in preventative medicine and and rehabilitation of the handicapped. In Alaska, the supply is unevenly distributed by geographic area and specialty. Sources indicate a shortage in some of the less populated areas of the state. Competition may increase if enrollment in nursing schools continues its upward trend. Prospects may be best for those with supervisory experience or specialty training in areas such as intensive care, coronary, emergency room, labor and delivery, operating room, pediatrics, orthopedics, newborn intensive care, and psychiatric care. Because smaller institutions must still offer a broad range of services in spite of limited staff sizes, many of them require at least a year of experience in acute care or similar specialties. Nationally, forecasts of the foreseeable future show continued growth in the nursing field.
Social Workers, Exc. Medical/Psychiatric	632	8.5	54	Shortage of applicants in some interior rural communities. Surplus elsewhere in the state. The outlook depends on the amount of financial support for public programs in welfare, corrections, mental health, vocational rehabilitation, and other community organizations. Currently, there is generally an over-supply of social workers, especially at the bachelor's degree level. One way people have been getting jobs is by taking clerical positions or by volunteering within an agency while waiting for social work positions to become available. For jobs in the bush, a knowledge of rural areas and cultural differences is very important.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
PROFESSIONAL (cont.)				
Teachers: College & University	1,168	3.0	35	Extreme surplus of applicants. The outlook depends on new training and research programs and on financial support of post-secondary institutions. Currently there is a surplus of applicants for teaching positions in most disciplines at both state and national levels, resulting in extremely keen competition. Some fields, such as engineering, computer science, business administration, and law will offer more employment opportunities due to teachers in these fields leaving for jobs outside the academic setting. Opportunities in college teaching are best for people with excellent academic records and experience.
Teachers: Elementary & Secondary School	6,155	12.6	776	Varies by location and by teaching specialty. More than 1,000 teaching positions are filled each year statewide. There is a surplus of certificated applicants for standard teaching positions in major population centers. There is a shortage of teachers with training in special education, business education, industrial education, and music; a shortage of secondary teachers specializing in science and math. One source reports a shortage of art teachers and reading specialists. In-migration from other states of more than 300 teachers/year helps to meet the need for positions requiring specialized training. There is less competition for positions in rural areas. The turnover rate varies by school district, but is generally higher in rural areas.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
SALES				
Cashiers	5,203	14.3	743	Surplus of applicants. Qualifications are few, resulting in competition for positions. Due to the lower rates of pay in many of these positions, there are a significant number of openings created by turnover. The long-term outlook depends on expansion of business activities, replacement of those now working, and on technological advances in computerized pricing and in change-making equipment. Nationally, the number of cashier jobs is expected to increase due to a trend toward more service-related jobs.
Salespersons: Retail	6,571	13.3	877	Surplus of applicants, although some employers report a shortage of qualified, experienced people. The outlook depends on general business conditions, expansion of retail sales facilities, the degree to which computerized checkout systems are utilized, and replacement of those who leave the occupation. Due to low pay and employee advancement, many openings are created by turnover; however, the supply of applicants will continue to exceed the number of jobs. Those with experience and a willingness to work will fare best.
Sales Agents/Placers: Insurance	374	19.3	72	Shortage of qualified applicants. The outlook depends on increased demand for insured protection by industry and the general public. Beginners often find it hard to build a clientele and many quit in the first few years; therefore, jobs are always available for beginners. The long-term outlook for ambitious people who develop expertise in a wide range of insurance and financial services is good. Since insurance selling is so highly competitive, future opportunities may be limited by the trend toward more group coverage. The increasing use of computers to relieve agents of clerical tasks and routine personal contact may also limit future opportunities in this occupation.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
SALES (cont.)				
Stock Clerks: Sales Floor	1,339	2.8	37	Currently, there is a slight surplus of applicants, particularly for entry positions. However, due to the relatively high turnover at this level, opportunities will arise from replacement needs. The outlook depends on the expansion of manufacturing, wholesale and retail trade, upon general economic stability, and the rate of automation of these tasks.
CLERICAL and ADMINISTRATIVE SUPPORT				
Bookkeeping/ Accounting, & Auditing Clerks	5,517	9.4	517	Slight surplus of entry-level applicants; balance to slight shortage of fully qualified, experienced workers. The outlook depends mainly on general business in Alaska and the replacement of those who advance to other positions or leave the occupation. The turnover rate is relatively high, although competition is often keen for entry-level positions. Some employers report a shortage of applicants with combined bookkeeping and secretarial skills. Sources indicate that in remote areas of Alaska many opportunities are for part-time employment.
General Office Clerks	5,041	8.0	403	Slight to moderate surplus of workers. The outlook depends mainly on the economy of Alaska and the need to replace workers who leave the occupation. Studies indicate a good demand for office clerks in Alaska. In addition, these are typically entry-level, low paying jobs which experience high turnover as workers move on to other positions.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
CLERICAL (cont.)				
Hotel Desk Clerks	308	10.7	33	Slight shortage of applicants. There is always a demand for people with training and/or experience in front desk operations. Demand in the state is expected to increase as hotels and motels are built or expanded. Turnover will also create some job openings. Nationally, growth will be limited by the use of computerized reservation systems in most motel and hotel chains. The number of people employed in this occupation is less affected by economic conditions than is employment in other motel and hotel occupations. Those who are willing to work evening and night shifts improve their chances for a job.
Receptionists & Information Clerks	1,592	11.8	188	Slight surplus of qualified applicants. Turnover and promotions will create some openings. Most employers prefer applicants with clerical skills in addition to phone answering and greeting abilities.
Secretaries	6,237	9.5	594	Slight surplus of applicants. Secretaries are employed in all sectors of the labor force in Alaska. Because of this, the outlook for the occupation depends mainly on the state economy and the need to replace workers who leave the occupation. The growth of the state economy has slowed, but replacement of workers who leave the occupation will provide opportunities for many workers. Those with good typing, bookkeeping, and other office skills will do best. People with training in specialty areas such as medical or legal work, or with word processing equipment, should find opportunities in more populated areas of Alaska.
Stock Clerks, Stockroom/ Warehouse	1,397	10.2	143	Currently, there is a slight surplus of applicants, particularly for entry positions. However, due to the relatively high turnover at this level, opportunities will arise from replacement needs. The outlook depends on the expansion of manufacturing, wholesale and retail trade, upon general economic stability, and the rate of automation of these tasks.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
CLERICAL (cont.)				
Supervisors/ Managers: Clerical	2,489	11.2	278	Balance to slight surplus of applicants. These positions are often filled by promotion from within the firm, so few openings are available to entry-level applicants. Prospects are best for those in related occupations such as bookkeepers and office clerks.
Teacher Aides/ Education Assistants: Clerical	689	11.9	82	Large surplus of applicants. In some areas the competition is so keen that these positions are being taken by certified teachers. The outlook depends on replacement of those who leave the occupation, size of student population, the role of aides within the school setting, and upon financial backing from individual school districts. Generally, those with clerical skills, some college training, experience working with young people, or special abilities in an art or craft should do best. In some programs, applicants with knowledge of a second language or experience working with handicapped students will have an advantage.
Tellers	1,088	19.4	211	Surplus of applicants for entry-level positions; balance of experienced, fully trained workers. The outlook depends on expansion of business and banking activities, replacement of those now working, and on technological advances in banking equipment. Several studies indicate that automation will not reduce employment prospects because of most banks' continued emphasis on personalized service. Most tellers move on to other positions after several years, creating openings. Qualifications are few, resulting in keen competition. Those possessing experience in handling money and dealing with the public will do best.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
CLERICAL (cont.)				
Typists	1,809	10.0	181	Surplus of applicants. The outlook depends mainly on the economy of Alaska and the need to replace workers who leave the occupation. Clerk typist is typically an entry-level position in most offices and openings are created as workers move on to other positions. Because of the high turnover in this occupation, clerk typists with good typing and other clerical skills should find good opportunities. Highly qualified applicants should have no trouble finding employment. Sources also indicate that familiarity with computers and word-processing equipment is becoming increasingly more important.
SERVICE				
Bartenders	1,487	14.7	219	Slight surplus of applicants. Openings are created by those who leave the occupation. The turnover rate is moderately high and those who convey a pleasant manner and willingness to work the less desirable shifts should find jobs. It is not uncommon for people to progress from cocktail waiter or waitress to bar assistant to bartender. Demand for bartenders increases in the summer and provides some opportunities for students.
Child Care Workers	913	11.0	100	Balance of workers and jobs. Because of the low wages, the turnover is high, resulting in a large number of openings. The outlook depends on the demand for child care and on public and private willingness to fund child care. Demand is affected by local employment conditions. Currently, demand for child care services is great, but funds are limited. Legislation which supports child care delivery systems can be very helpful. Altogether, moderate growth is expected.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
SERVICE (cont.)				
Cooks: Restaurant	1,356	15.4	209	Balance to slight shortage of applicants. The food service industry is growing in Alaska but the trend toward fast food establishments does not create openings for cooks and chefs. Turnover and promotion create openings for positions like dishwasher and kitchen helper that can lead to employment as a cook. Highly skilled cooks and chefs are always in demand; however, it takes a number of years to qualify.
Cooks: Short Order/ Specialty Fast Food	981	16.9	166	Balance of workers and jobs. Employment growth depends on expansion of the number of small restaurants, diners, and short-order eating places. Many openings will occur from a need to replace those who leave the occupation. The turnover rate is relatively high, likely because of the working conditions and low wages. Opportunities usually exist for experienced persons. Related restaurant experience, such as being a kitchen helper, improves a beginner's chances for a job.
Counter Attendants	821	16.3	134	Balance of workers and jobs. The employment outlook depends on growth of the fast food industry and replacement of workers who leave the occupation. Employment in fast food restaurants is expected to grow, especially in the more populated areas. There is a high turnover rate in this occupation but there are also many applicants because of the minimal hiring requirements. Those who convey a pleasant manner and willingness to work the less desirable shifts should find jobs.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
SERVICE (cont.)				
Fire Fighters	581	17.7	103	Surplus of applicants for structural fire fighters in cities and towns; there are many well-qualified individuals awaiting an opportunity. The good pay, work schedule, and community appreciation make this occupation very attractive to many people. Competition is keen, especially in populous areas. Opportunities may arise as smaller communities increasingly employ one or two professional fire fighters to lead volunteer teams, conduct departmental matters, and maintain the equipment. For forest or wildfire fighters, competition for the full-time seasonal positions is keen. For occasional work the demand for forest fire fighters varies from location to location, with the time of year, and the number of fires to be suppressed in a particular area.
Food Preparation Workers	2,042	14.9	304	Balance to slight shortage of applicants. The outlook depends on replacement of those who leave the occupation and expansion of the restaurant industry. High job turnover will generate most openings. Most do not consider this occupation as a career because of the irregular hours, hard work, and low wages. Many are students who work part time while attending school and then find other jobs after graduation. Opportunities for advancement to cook are fairly good. There is more of a demand in more populous areas with larger restaurants.
Food Preparation &: Service Workers: Fast Food	3,238	16.9	548	Balance of workers and jobs. The employment outlook depends on growth of the fast food industry and replacement of workers who leave the occupation. Employment in fast food restaurants is expected to grow, especially in the more populated areas. There is a high turnover rate in this occupation but there are also many applicants because of the minimal hiring requirements. Those who convey a pleasant manner and willingness to work the less desirable shifts should find jobs.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
SERVICE (cont.)				
Guards & Watch Guards	977	11.5	112	Balance of qualified applicants and jobs. The last several years have seen a rapid expansion of the number of firms in Alaska offering security services. The outlook depends on replacement of those who leave the occupation and the use of security services by public and private enterprises and agencies. Competition is keen for the higher paying jobs. Turnover is relatively high due to low wages and the often irregular and nonstandard working hours. Part-time work is available.
Janitors & Cleaners, Except Maids & Housekeeping Cleaners	4,255	11.5	490	Balance of workers and jobs. Competition is keen for the better paying positions. Job turnover is high, especially in the lower pay ranges but there are usually applicants for these openings as well. Opportunities are best for applicants with steady work histories and experience. Part-time work is available for students.
Maids & Housekeeping Cleaners	1,455	12.8	186	Slight surplus of applicants. The outlook depends on the replacement of those who leave the occupation, the level of commercial and tourist activity, and the number of motels, hotels, and health facilities. The high turnover rate creates a steady demand for responsible, reliable workers. Because demand for room cleaners increases in the summer, shortages will occur in some areas. These jobs provide employment opportunities for students.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
SERVICE (cont.)				
Nursing Aides Orderlies, & Attendants	881	9.0	79	Balance of workers and jobs. The outlook depends on replacement of those who leave the occupation and on the number of hospitals and convalescent and nursing homes. Because of expansion of medical services, this occupation is expected to grow at a faster than average rate. Additional opportunities may arise as more duties associated with patient care, formerly done by medically trained staff, are delegated to aides and orderlies. Hospital openings are usually filled by graduates of training programs or by persons previously trained by nursing homes. Thus, turnover in nursing homes is high and openings are usually available. Low pay, undesirable shifts, and the strenuous nature of the work are other factors that influence the turnover rate.
Police Patrol Officers	1,048	13.0	136	Surplus of applicants. The outlook depends on expansion of current protective service forces and upon public financial support. Presently, the supply of applicants continues to exceed demand, particularly in population centers. Hiring requirements are high and competition is keen. Cutbacks in municipal budgets may affect the number of openings. Sources indicate that those with military experience and/or post-secondary investigative education should fare best. Opportunities are opening up in related areas such as private security and investigating firms.
Waiters & Waitresses	3,874	15.6	604	Balance of applicants and jobs. Job turnover is high due to the low wages and hard work involved. Opportunities are available for those with good work records and adequate skills. Competition for the higher paying, more prestigious positions may be keen. Opportunities are best in the populous areas of the state. Prospects are fairly good for beginners who convey a pleasant manner, neat appearance, and the willingness to work the less-desirable shifts. Employment increases during the summer months and provides some opportunities for students.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
PRODUCTION/CONSTRUCTION/OPERATING/MAINTENANCE/ MATERIAL HANDLING				
Cannery Workers	5,559	8.8	489	Slight shortage of in-state applicants. The outlook depends on replacement of those who leave the occupation, the size of the crop or catch, and technological changes in canning or freezing methods. Studies predict moderate employment growth. Employers of cannery workers report high turnover, much of which is due to college students working during the summer and returning to school in the fall. Freezing facilities that operate year round have a lower rate of turnover.
Industrial Truck & Tractor Operators	699	8.2	57	Surplus of applicants. The outlook depends on replacement of those who leave the occupation, technological changes, and the level of economic activity in construction, manufacturing, and wholesale and retail trade. Studies predict a slow employment growth because of the technological improvements in material-handling methods and equipment. Replacement needs are greater than for most occupations since fork lift operators are more likely to transfer to other types of jobs.
Maintenance Repairers: General Utility	3,065	10.2	313	Moderate surplus of applicants. The good wages and steady work attract qualified people. Openings will arise mainly from worker retirement and moderate job turnover. Technological improvements in equipment and building materials may eliminate some jobs in the future.

Alaska

By Edward Eboch

Construction Industry Employment

Alaska's labor force data continued to point to a rapidly deteriorating economy. While employment had its usual seasonal increase it was not enough to hide the problems in the economy. The unemployment rate for July is an all time record. Year-to-year losses in employment continue. (The number of job losses is greater than indicated. State government shows a year-to-year increase when in fact permanent jobs are below year-ago levels. Employment of fire fighters in the interior and southwest regions of the state amounted to more than 1,300 jobs that would not be expected this time of year.) With the latest cuts in the state budgets and the associated layoffs yet to appear in the employment numbers, we can expect a continued slide in the year-to-year comparisons.

While many industries have experienced declines in employment over the year, construction has been the major contributor to lost jobs. A comparison of construction employment (using data for the first six months of each year) indicates that construction employment is down 24% since 1984, the peak year for construction (Table 1). The quarterly construction employment data (Table 2) shows the shift from a growing construction industry to a declining industry beginning in the third quarter of 1984 and continuing to the current period.

With the depressed residential market it may be surprising to find 1986 residential construction employment at the same level as in 1985. This is largely the result of military related construction, especially the construction of housing units at Ft. Wainwright, near Fairbanks.

The largest decline in construction employment since last year is in the nonresidential building segment of the industry. This includes commercial and industrial building contractors. With vacancy rates up, and climbing, this segment of the industry is unlikely to recover in the near term. In addition, the reduction in state revenues to local communities means additional job losses in nonresidential building.

Conclusion

With overbuilding in many areas of the economy and with the cutbacks in oil company and state construction expenditures there is little likelihood of construction employment increasing in the near term. Once the current development activities on the north slope are completed and the military expansion is finished, largely by next year, construction employment will decline further.

Nonagricultural Wage and Salary Employment
By Place of Work
Alaska

	p/ 7/86	r/ 6/86	7/85	Changes From: 6/86	7/85
Nonag. Wage & Salary	244800	234000	249300	10800	-4500
Mining	8800	8800	9700	0	-900
Construction	18100	17100	22500	1000	-4400
Manufacturing	21300	14400	21400	6900	-100
Food & Kindred Prod.	14700	7700	15100	7000	-400
Lumber & Paper Prod.	3000	3200	2600	-200	400
All Other Mfg.	3600	3500	3700	100	-100
Trans. Comm. & Utilities	20600	20200	20500	400	100
Trucking & Whsel:ng	2200	2200	2400	0	-200
Water Transportation	1800	1600	1800	200	0
Air Transportation	7000	6900	6600	100	400
Other Trans. Comm. & Utilities	9600	9500	9700	100	-100
Trade	47400	47200	49000	200	-1600
Wholesale	8500	8600	9000	-100	-500
Retail	38900	38600	40000	300	-1100
Gen. Mer. & Apparel	5600	5500	5600	100	0
Food Stores	6600	6500	6600	100	0
Eating & Drinking Pl.	14500	14400	14900	100	-400
Other Retail Trade	12200	12200	12900	0	-700
Finance-Ins. & R.E.	13300	13400	13400	-100	-100
Services & Misc.	48500	47400	47400	1100	1100
Government	66800	65500	65400	1300	1400
Federal	18300	18200	17900	100	400
State	20500	19400	19800	1100	700
Local	28000	27900	27700	100	300

Prepared in cooperation with the U.S. Bureau of Labor Statistics.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark date March 1985.

p/ Denotes primary estimates.
r/ Denotes revised estimates.

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate			Employment		
	P/ 7/86	R/ 6/86	7/85	P/ 7/86	R/ 6/86	7/85	P/ 7/86	R/ 6/86	7/85	P/ 7/86	R/ 6/86	7/85
Alaska Statewide	276576	268577	271113	29203	29185	23176	10.6	10.9	8.5	247373	239392	247937
Anch MatSu Region	143288	141542	141139	14223	13757	10614	9.9	9.7	7.5	129065	127785	130525
Anchorage Borough	125716	124093	123998	11564	11073	8585	9.2	8.9	6.9	114152	113020	115443
MatSu Borough	17572	17449	17141	2659	2684	2059	15.1	15.4	12.0	14913	14765	15082
Gulf Coast Region	33683	30319	32474	3772	4021	2754	11.2	13.3	8.5	29911	26298	29720
Kenai Peninsula Bor	21592	19452	20501	3091	3186	2118	14.3	16.4	10.3	18501	16266	18383
Kodiak Island Bor	7615	6874	7528	401	531	360	5.3	7.7	4.8	7214	6343	7168
Valdez-Cordova	4476	3993	4445	280	304	276	6.3	7.6	6.2	4196	3689	4169
Interior Region	42678	42076	41813	5654	5764	4920	13.2	13.7	11.9	37024	36312	36893
Fairbanks North Star Br	34828	34274	33699	4909	4930	4128	14.1	14.4	12.2	29919	29344	29571
Southeast Fairbanks	3303	3252	3227	281	288	240	8.5	8.9	7.4	3022	2964	2987
Yukon-Koyukuk	4547	4550	4587	464	546	552	10.2	12.0	12.0	4083	4004	4035
Northern Region	8287	8311	8527	1193	1152	1218	14.4	13.9	14.3	7094	7159	7309
Kobuk	2680	2651	2696	460	411	409	17.2	15.5	15.2	2220	2240	2287
Nome	3470	3529	3498	509	541	447	14.7	15.3	12.8	2961	2988	3051
North Slope Borough	2137	2131	2333	224	200	362	10.5	9.4	15.5	1913	1931	1971
Southeast Region	32574	34579	34619	3203	3271	2898	9.1	9.5	8.4	32171	31308	31721
Haines Borough	1075	1056	1054	72	79	65	6.7	7.5	6.2	1003	977	989
Juneau Borough	14089	13681	13663	1365	1298	1116	9.7	9.5	8.2	12724	12383	12547
Ketchikan Gateway Bor	7512	7352	7320	662	686	566	8.8	9.3	7.7	6850	6666	6754
Pr of Wales-Outer Ketch	2656	2622	2608	319	348	304	12.0	13.3	11.7	2337	2274	2304
Sitka Borough	4307	4201	4336	324	325	409	7.5	7.7	9.4	3983	3876	3927
Skagway-Yakutat-Angoon	2089	2013	2028	217	192	183	10.4	9.5	9.0	1872	1821	1845
Wrangell-Petersburg	3646	3654	3610	244	343	255	6.7	9.4	7.1	3402	3311	3355
Southwest Region	13266	11750	12841	1158	1220	772	8.7	10.4	6.0	12108	10530	12069
Aleutian Islands	3087	2693	3025	128	119	75	4.1	4.4	2.5	2959	2574	2950
Bethel	5323	4755	5131	627	671	450	11.8	14.1	8.8	4696	4084	4681
Bristol Bay Borough	493	430	486	23	21	17	4.7	4.9	3.5	470	409	469
Dillingham	2231	1986	2155	143	171	74	6.4	8.6	3.4	2088	1815	2081
Wade Hampton	2132	1886	2044	237	238	156	11.1	12.6	7.6	1895	1648	1888

P/ Preliminary R/ Revised 1985 Benchmark

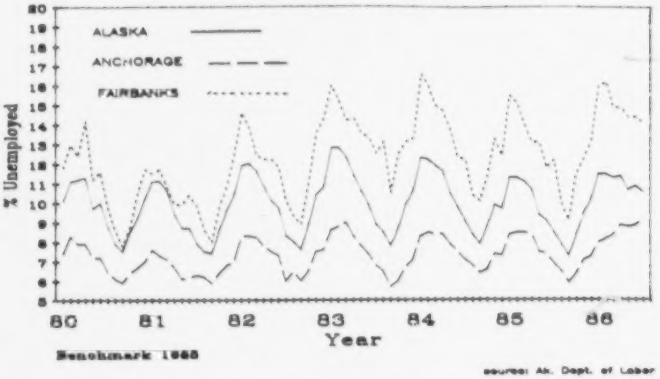
Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor, because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature, meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

Table 1
Construction Industry
Average Monthly Employment for the First Half
1983-1986

	1983	1984	% change 1983/ 1984	1985	% change 1984/ 1985	1986	% change 1985/ 1986	% change 1984/ 1986
Residential	2471	2948	19	2411	-18	2419	00	-18
Nonresident	2201	2482	13	2263	-9	1469	-35	-41
Highway & Street	2101	1618	-23	1767	9	1683	-5	-4
Utility	1749	1317	-25	944	-28	808	-14	-39
Other Heavy	1990	2414	21	1649	-32	1255	-24	-48
Painting & Paper	1285	1566	22	1578	1	1249	-21	-20
Plumbing & Heating	244	331	35	309	-6	341	10	3
Electrical	2080	2227	7	1867	-6	1738	-7	-22
Masonry & Carpentry	930	1224	31	1117	-9	949	-15	-22
Misc. Special Trades	1189	1470	24	1714	17	1365	-20	-7
Other Special Trade	978	834	-15	876	5	744	-15	-11
Total	17221	18434	7	16500	-10	14023	-15	-24

UNEMPLOYMENT RATES

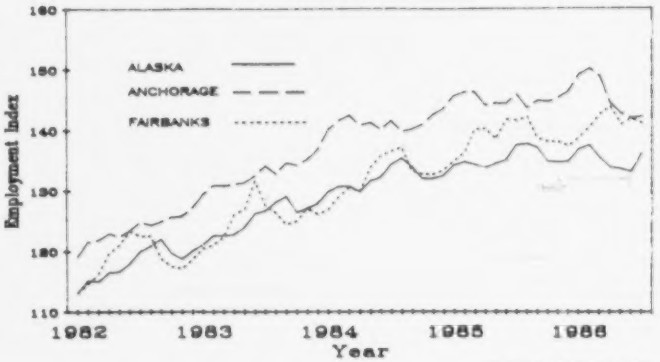
NOT SEASONALLY ADJUSTED
1980 to Present



source: Ak. Dept. of Labor

Composite Nonag. Employment Indexes

Seasonally Adjusted
1982 to Present



source: Ak. Dept. of Labor

Anchorage/MatSu

By Greg Huff

Impact of State Government Layoffs

Anchorage's wage and salary employment and labor force statistics continued to reflect the deepening economic downturn. The number of jobs this July is down 3.3% compared to July of last year and July's unemployment rate of 9.2% is the highest rate for Anchorage since March, 1978. There are over 3,000 more unemployed workers this July than last July.

The economic downturn has impacted nearly every major industry; however, construction and related industries continue to be hardest hit. The scope and severity of the downturn is intensifying with layoffs beginning to occur in state government and supporting industries, but the effects of the state's budget shortfall have yet to impact the economy to their fullest. As of July, the beginning of a new state fiscal year, state government employment figures showed a decline of 250 jobs from last years levels. This decline resulted from the most part from the elimination of vacant positions and normal attrition combined with a hiring freeze.

State Government Employment

From January through April state government maintained employment levels above the previous year, but a hiring freeze and attrition then began to take their toll. By May state government employment had fallen below 1985 levels by 50 jobs and by June that number had reached 150. The beginning of a new state fiscal year and budget in July brought additional declines. With announced state budget shortfalls, another round of cuts are expected. When these do occur, Anchorage could lose an additional 300 positions. Because the average job in state government in Anchorage pays an annual salary of $33,650 the loss of the buying power of a state employee is substantial and will have a negative impact on other jobs in the Anchorage economy. For every state job lost, an additional job will be lost in the local economy.

State government has many functions ranging from operating low income apartments to providing law and order. In order to carry out these functions state government is composed of various departments, systems and quasi-independent organizations. Each one of these can be categorized into a Standard Industrial Classification (SIC) Code. These codes were developed to classify establishments or organizations by their primary function or type of activity engaged in. These

codes promote uniformity and comparability in the presentation of employment data. The remainder of this article will discuss state employment in the context of the primary function of the state organization. In Table 1 the departments, systems and other state units are listed by SIC category.

Anchorage is the base for what most state agencies call the South-central Region or the Third Judicial District. In 1985 state employees located in Anchorage represented 35% of state government employees in Alaska. This was an increase from 32% in 1980. (Anchorage contains 47% of Alaska's population.)

State government employment represented 6.5% of total nonagricultural wage and salary employment in Anchorage in 1985, nearly 11,000 jobs. During that year state employees received $241 million in wages, representing 7.7% of the $3.1 billion in total wages paid in the Anchorage area.

Over the five year period from 1980 to 1985, state government employment (including Alaska Railroad employment) grew by 47%, a growth rate slightly greater than the average growth rate of 42% for the Anchorage economy. In January 1985 the railroad was transferred from federal government ownership to state ownership, increasing state employment by 563 jobs. Excluding railroad employment, state government growth was 41%.

The Largest and Fastest Growing Departments

The educational services category, which includes the University of Alaska at Anchorage (UAA) and Anchorage Community College (ACC), had the largest increase in employment compared to other Anchorage state units from 1980 to 1985. Over 530 positions were added to these organizations. This growth in employment was supported by a rise in student enrollment. From the fall of 1980 to the fall of 1985, UAA's enrollment had increased from 3,398 to 4,581 students (95% of whom were full-time students) and ACC's enrollment expanded from 8,274 to 12,209 students. By 1985 the university and college employed over 21% of the state employees working in Anchorage, up from 13% in 1980.

While the university system had the greatest increase in the number of employees, the executive, legislative and general government sector grew the fastest during this period, increasing by 93%. The bulk of the growth was in the Department of Administration where Anchorage employment increased from 147 to 401 jobs. Some of this increase was due to expanding programs while some was due to the switching of functions and jobs from Juneau to Anchorage.

Nonagricultural Wage and Salary Employment
By Place of Work
Anchorage

	p/ 7/86	r/ 6/86	7/85	Changes From: 6/86	7/85
Nonag. Wage & Salary	115700	114500	119650	1200	-3950
Mining	3900	3900	4200	0	-300
Construction	8150	7600	10850	550	-2700
Manufacturing	3700	3100	3750	600	-50
Food & Kindred Prod.	1550	1000	1500	550	50
Other Mfg.	2150	2100	2250	50	-100
Trans. Comm. & Utilities	10650	10450	10800	200	-150
Trucking & Whseing.	1250	1200	1300	50	-50
Water Transportation	400	300	400	100	0
Air Transportation	4350	4300	4250	50	100
Other Trans. Comm. & Utilities	4650	4650	4850	0	-200
Trade	27450	27500	28600	-50	-1150
Wholesale	6350	6300	6700	50	-350
Retail	21100	21200	21900	-100	-800
Gen. Merchandise	1900	1850	2100	50	-200
Food Stores	3050	3100	3050	-50	0
Eating & Drinking Pl.	8350	8250	8750	100	-400
Other Retail Trade	7800	8000	8000	-200	-200
Finance-Ins. & R.E.	8700	8850	8950	-150	-250
Services & Misc.	27500	27200	26800	300	700
Government	25650	25900	25700	-250	-50
Federal	10100	10150	9850	-50	250
State	6800	6700	7050	100	-250
Local	8750	9050	8800	-300	-50

Nonagricultural Wage and Salary Employment
By Place of Work
Anchorage-MatSu

	p/ 7/86	r/ 6/86	7/85	Changes From: 6/86	7/85
Nonag. Wage & Salary	123550	122000	127450	1550	-3900
Mining	3900	3950	4200	-50	-300
Construction	8950	8350	11850	600	-2900
Manufacturing	3850	3200	3900	650	-50
Trans. Comm. & Utilities	11350	11100	11450	250	-100
Trade	29450	29450	30500	0	-1050
Finance-Ins. & R.E.	9200	9350	9500	-150	-300
Services & Misc.	29000	28400	28400	600	600
Government	27850	28200	27650	-350	200

In 1983 the Department of Corrections was created. Previously it was a division under the Department of Health and Social Services. This change shifted correction employment from the human resource program category to justice, public order and safety. Because the change did not occur until the second quarter of 1983, the annual average employment for the Department of Correction shows 172 jobs, although 300 jobs were involved in the move. Discounting the swap, employment in departments administering human resource programs grew slower than in any other major state sector, 11% versus 41% for state government as a whole (excluding railroad employment). Employment in the public order and safety sector grew at about the average rate.

Under the SIC category that includes organizations considered to administer economic programs, the Alaska Power Authority (APA) was included in Department of Commerce and Economic Development employment figures prior to September 1985.

Summary

The largest job gainers (by SIC categories) from 1980 to 1985 were the university system and justice, public order and safety followed by the environmental quality and the executive, legislative and general government sectors. The department administering human resource programs (less corrections) was the slowest growing major state unit during the period. The transfer of the Alaska Railroad increased state employment substantially, but no net gain of jobs was realized in the Anchorage economy due to this transfer of federal employees to state employee status.

With budget shortfalls and pending layoffs, all state government agencies will show declines from their 1985 employment levels and the effect of these layoffs will ripple through the Anchorage economy. Just as the decline in construction employment has adversely affected employment in it supporting industries, state government layoffs will result in layoffs in other industries.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
PRODUCTION (cont.)				
Mechanics: Aircraft	870	16.9	147	Surplus of certified mechanics. The outlook depends on wages, the amount of aviation activity, the further improvement of repair facilities, and the availability of training opportunities. As the amount of aviation activity increases, so too will the demand for mechanics; however, labor-saving advances in aircraft maintenance will limit the growth in this field. Job opportunities, especially in general aviation, appear to be best for those mechanics who are willing to relocate. Those who want to work for major airlines will find the best opportunities in cities such as San Francisco, Los Angeles, New York, Kansas City, and Dallas where maintenance bases for major airlines are located.
Mechanics: Automotive	1,235	9.6	119	Slight shortage of fully qualified workers.The outlook depends on general economic conditions in Alaska, the cost and supply of gasoline, and the willingness of employers to provide on-the-job training. Many employers indicate a surplus of applicants with some training and no practical experience. The development of more effective methods of training may enable more people to move right into journeyman-level positions. The growing complexity and cost of automobiles should increase demand for repair and maintenance work. Currently, there is a moderate demand for mechanics because many people are having their cars repaired rather than buying new ones. Turnover in this large occupation will create quite a few openings.

Occupation	Estimated Employment 1985	Percent Change in Employment 1985-1990	Numerical Change in Employment 1985-1990	Employment Prospects
PRODUCTION (cont.)				
Truck Drivers: Light—Include Delivery & Route Workers	1,752	8.7	152	Surplus of local truck drivers. The outlook depends on the level of economic activity in construction, manufacturing, wholesale and retail trade, and replacement of those who leave the occupation. Because construction and logging activity is seasonal, there is a lower demand for drivers in the winter. Studies predict moderate employment growth for this occupation in Alaska, although the number employed varies from year to year depending on the economy. Competition is stiff, due to the high wages and low entrance requirements. Applicants with good driving records have the best chance of being hired.

Table 2
Construction Employment
Average Monthly Employment by Quarter
1983-1986

	1Q 1983	2Q 1983	3Q 1983	4Q 1983	1Q 1984	2Q 1984	3Q 1984	4Q 1984	1Q 1985	2Q 1985	3Q 1985	4Q 1985	1Q 1986	2Q 1986
Residential	2109	2834	4082	3794	2635	3262	3838	3237	2282	2541	3567	3103	2138	2700
Nonresidential	1970	2433	3239	2868	2100	2865	3653	2972	1994	2534	3276	2162	1476	1462
Highway & Street	1267	2935	3218	1961	1090	2147	2789	1810	1340	2195	2911	1563	1111	2255
Utility	1475	2023	1902	1432	1257	1379	1597	875	682	1207	1592	1002	620	997
Other Heavy	1732	2248	3747	3680	2341	2487	2470	2289	1523	1776	2053	1464	1060	1450
Painting & Paper	1208	1362	1717	1719	1501	1632	1870	1771	1577	1579	1829	1628	1277	1222
Plumbing & Heating	209	280	378	315	274	388	501	356	280	340	505	364	296	387
Electrical	1909	2253	2862	2751	2203	2252	2641	2601	1893	1841	2350	2318	1776	1702
Masonry & Carpentry	841	1020	1490	1446	1143	1305	1603	1313	1011	1225	1402	1358	932	966
Misc. Special Trades	776	1602	2141	1595	1047	1893	2244	1777	1337	2092	2674	1585	1118	1614
Other Special Trade	865	1092	1164	942	722	946	1313	1062	799	954	1268	1208	768	720
Total	14361	20082	25940	22505	16312	20556	24520	20063	14718	18284	23427	17754	12572	15475

Table 1
Anchorage State Government 1/
Annual Average Employment By Primary Function (SIC)
1980-1985

SIC Code	SIC Title and Associated State Government Unit	1980	1981	1982	1983	1984	1985
40	Railroad Transportation	0	0	0	0	0	563
	Alaska Railroad	0	0	0	0	0	563
62	Investment/Security Brokers	15	31	38	42	42	43
	Alaska Housing and Finance Corporation	15	31	38	42	42	43
65	Operators of Apartment Buildings	63	68	65	76	80	83
	Alaska Housing Authority	63	68	65	76	80	83
82	Educational Services	1033	1156	1351	1484	1572	1566
	University and College	1033	1156	1351	1484	1572	1566
91	Executive, Legislative and Gen. Gov't.	242	268	351	435	466	469
	Governor's Office	68	30	42	34	42	39
	Dept. of Administration	147	207	270	355	367	401
	Ombudsman's Office	9	8	7	8	9	9
	Legislative Affairs	18	23	32	38	48	20
92	Justice, Public Order and Safety	613	667	690	859	1086	1146
	Dept. of Law	89	93	105	113	124	136
	Dept. of Public Safety	268	290	294	275	286	294
	Dept. of Corrections	0	0	0	172	362	382
	Court System	256	284	291	299	314	334

93	Public Finance and Taxation	128	152	152	164	165	175
	Department of Revenue	117	137	142	153	152	163
	Legislative Audit and Finance	11	15	10	11	13	12
94	Human Resource Programs	1061	1113	1186	1156	1010	1035
	Dept. of Education	90	96	97	94	93	92
	Dept. of Health and Social Services	771	832	919	877	725	744
	Dept. of Labor	200	185	170	185	192	199
95	Environmental Quality	735	934	1031	1058	1005	1023
	Dept. of Natural Resources	465	562	593	566	563	585
	Dept. of Fish and Game	208	278	330	362	315	304
	Dept. of Environmental Conservation	19	31	38	40	40	43
	Dept. of Commerce and Regional Affairs	43	63	70	90	87	91
96	Economic Programs	916	982	1085	1052	999	1008
	Dept. of Commerce and Economic Development	141	197	250	258	232	200
	Dept. of Transportation and Public Facil.	775	785	835	794	767	781
	Alaska Power Authority	0	0	0	0	0	27
97	National Security	54	49	51	48	50	50
	Military Affairs	54	49	51	48	50	50
	Total State Government	4860	5419	6000	6373	6475	7160
	Total State Government Wages (millions)	$130	$153	$178	$199	$199	$241

Source: Alaska Department of Labor, Research and Analysis ES-202

1/Data reflects the annual average number of state workers who received a paycheck during the calendar year. These numbers should not be confused with the number of positions authorized by the legislature, which may differ due to vacancies and other reasons. This data does not distinguish between a full-time, part-time, project or seasonal employee.

Fairbanks/Interior

By Neal Fried

Effects of Local and State Government Layoffs

During the past month local and state governments have been grappling with budget shortfalls as a result of falling oil prices. The uncertainty of how the cuts will be implemented makes it difficult to measure the effect on employment in local and state government which will in turn affect other sectors of Fairbanks' economy. A detailed review of Fairbanks' local and state government employment picture will make it possible for the reader to roughly estimate the impact of budget revisions.

State and local government employ 22.7% of Fairbanks' wage and salary work force. They contribute a large share of the area's total payroll (27.2%). State and local government have been among the largest contributors to job growth during the past five years. Employment in these two levels of government has grown 28% or 1,427 jobs since 1980.

Because government employment is relatively constant over the course of a year it acts as a stabilizing force in the Fairbanks economy. The small seasonal swings in state and local government employments offset the normal seasonal variations in construction and other industries. The Fairbanks School District, the Tanana Valley Community College, and the University of Alaska reduce their employment as the rest of the economy is moving into the spring-summer upswing and the opposite occurs during the fall-winter downturn.

Possibly more important is the stabilizing role this sector has played during past downturns in the local economy. After the peak pipeline construction activity in 1975, local and state government employment fell only slightly, then quickly recovered, and then began to grow again as much of the remainder of the economy continued to decline. It played a leading role in pulling Fairbanks into its next growth phase in 1980-1981. The current picture is quite different. Government will not play a countercyclical or stabilizing role. With the loss of state revenues, the government sector will contribute to declines in employment.

Local Government

Local government includes employees of the Fairbanks North Star Borough School District, the Fairbanks North Star Borough, and the cities of Fairbanks and North Pole. Approximately 2,500 people in Fairbanks earn $98 million annually from local government. This

Fairbanks' State and Local Government Employment and Payroll 1985

	Annual Average Employment	Total Payroll	Percent of Fairbanks Total Employment	Payroll
State Government	4,007	$131,063,321	14.0%	15.6%
Alaska Railroad	74	$3,587,194	0.3%	0.4%
U of A/TVCC	2,304	$64,010,031	8.0%	7.6%
Other	1,629	$63,466,096	5.7%	7.5%
Local Government	2,498	$98,145,867	8.7%	11.6%
Fairbanks NS Borough	431	$11,899,653	1.5%	1.4%
NS Borough School District	1,426	$56,181,846	5.0%	6.7%
City of North Pole	26	$898,154	0.1%	0.1%
City of Fairbanks	261	$12,543,085	0.9%	1.5%
Municipal Utilities System	348	$16,522,486	1.2%	2.0%
Other	6	$100,643	0.0%	0.0%

Source: Alaska Department of Labor, Research & Analysis Section, ES-202.

represents 8.7% of the wage and salary employment and 11.6% of the payroll in the borough.

The average job in local government in 1984 paid approximately $31,000 per year (comparable 1985 data does not exist). For every local job government loses, Fairbanks will lose the payroll as well as the dollars generated by the economic multiplier affect. Not only will the loss of payroll be felt but the loss of benefits the employees receive will also be felt. Approximately 18-30% can be added to the payroll to estimate the cost of benefits, but it is difficult to estimate the amount of these benefits that is expended in the local economy. Not all local government operating funds comes from the state but a portion of the funds are locally generated (through taxation and fees) or come from the federal government. Approximately 40% of the Borough's operating revenues, 73% of the school district's operating revenues and 49% of the City of Fairbanks' operating revenues come from the state. Because of their importance as contributors to local government spending, the loss of state funds will be felt directly in the economy.

It is not clear how many local government jobs will be lost in Fairbanks. If workers are laid off to cover the budget shortfall, the loss of one

Nonagricultural Wage and Salary Employment
By Place of Work
Fairbanks

	p/ 7/86	r/ 6/86	7/85	Changes From: 6/86	7/85
Nonag. Wage & Salary	30900	30500	31150	400	-250
Mining	200	200	250	0	-50
Construction	3550	3300	4150	250	-600
Manufacturing	650	600	650	50	0
Trans. Comm. & Utilities	3050	3000	2950	50	100
Trucking & Whseing.	500	500	500	0	0
Air Transportation	950	950	900	0	50
Other Trans. Comm. & Utilities	1600	1550	1550	50	50
Trade	6700	6700	6800	0	-100
Wholesale	950	1000	1100	-50	-150
Retail	5750	5700	5700	50	50
Gen. Mer. & Apparel	600	600	550	0	50
Food Stores	850	850	850	0	0
Other Retail Trade	4300	4250	4300	50	0
Finance-Ins. & R.E.	1100	1100	1100	0	0
Services & Misc.	6200	6200	6050	0	150
Government	9450	9400	9200	50	250
Federal	3000	3000	2950	0	50
State	3850	3700	3750	150	100
Local	2600	2700	2500	-100	100

Nonagricultural Wage and Salary Employment
By Place of Work
Interior

	p/ 7/86	r/ 6/86	7/85	Changes From: 6/86	7/85
Nonag. Wage & Salary	35150	34350	35400	800	-250
Mining	350	350	400	0	-50
Construction	3750	3450	4350	300	-600
Manufacturing	650	650	650	0	0
Trans. Comm. & Utilities	3400	3300	3400	100	0
Trade	7150	7150	7250	0	-100
Finance-Ins. & R.E.	1150	1150	1150	0	0
Services & Misc.	6700	6700	6600	0	100
Government	12000	11600	11600	400	400

local government job may roughly translate into the additional loss of another one-half to one job in the economy.

State Government

Statewide, state government represents 8.7% of total wage and salary employment but the presence of the main University of Alaska campus increases Fairbanks' share. State government employs 14% of Fairbanks' wage and salary employment and contributes 15.6% of the total payroll. The average state employee in Fairbanks earns approximately $32,700 per year.

The university alone represents 8% of Fairbanks' wage and salary employment. Approximately 4,000 people in Fairbanks work for the state and they receive $131 million in paychecks per year. State government employment includes the University of Alaska, Tanana Valley Community College, the Alaska Railroad, as well as the usual operations of state government.

It is estimated that a state job supports one additional job in the economy. If this estimate is accurate, the recently announced first round of layoffs of approximately 37 state workers may translate into a total loss of approximately 70 jobs in Fairbanks' economy.

Layoffs in local and state government are only one result of the budget shortfall for the local economy. Construction has already been adversely affected and most other industries have begun to feel the effects of the decline in oil revenues. The fact that local and state government are not insulated from the most recent downturn in the economy may simply be an indication of how serious this economic contraction could become.

Current Trends

Last month the Fairbanks unemployment rate reached its highest level since 1978, and this month employment in Fairbanks had the first year-to-year decline in employment since 1980. The big year-to-year loser continues to be construction. Losses in the construction industry have become large enough to offset increases in other industries. Losses in construction have directly affected employment in the wholesale trade industry which is also suffering from over-the-year losses. Most other industries in July were either slightly ahead of year-ago levels or were flat. During the coming months more of these industries will experience year to year declines.

Fairbanks' July unemployment rate of 14.1% indicates little relief for

the unemployed this summer. July's rate is almost two points above last year's unemployment rate. The decline in employment and strong increase in unemployment appears to be revealing the toughest labor market Fairbanks has experienced since the late 1970s.

Gulf Coast

By Neal Fried

The Effects of Local and State Government Layoffs

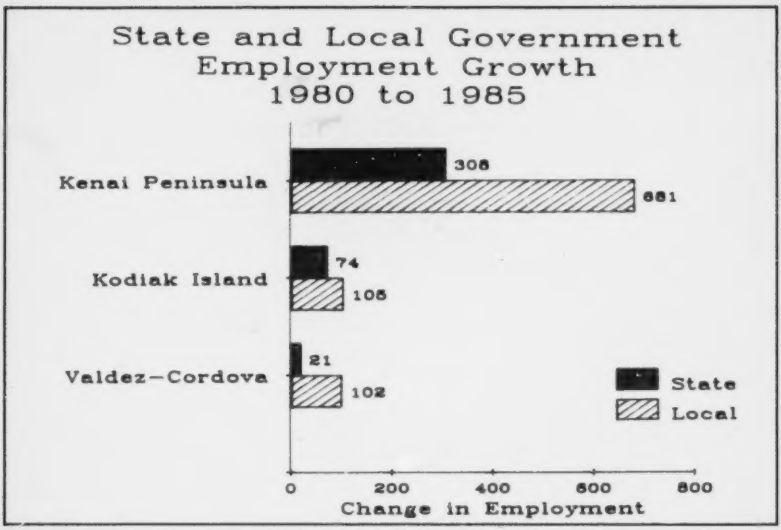
All communities in the Gulf Coast region are being affected differently by the decline in state revenues. Construction employment has fallen in many areas as a result of smaller state capital budgets. This in turn has adversely affected other industries such as transportation and wholesale and retail trade. Recently local and state government employment is beginning to feel the effects of the largest budget shortfall in Alaska's history.

Without exception, school districts, boroughs, cities, villages, community colleges, the Alaska Railroad and state government operations are being forced to pare their budgets. Layoffs have occurred and hours worked have been curtailed as functions have been cut back or eliminated. The full impact of declining oil revenues is just beginning to be felt by local and state government.

State and local government employ 24% of the Gulf Coast region's wage and salary work force and provide 26% of the area's payroll. Since 1980 state and local government employment in the region has grown by 1,291 jobs, making it one of the largest contributors to job growth in the region. Within the region the presence of state and local government can vary significantly. On the Kenai Peninsula and Kodiak Island, state and local government represents 22% and 20% of the wage and salary employment, but in the Valdez-Cordova area this share grows to 32%.

Government employment tends to smooth out seasonal swings in employment and provides some stability to the areas' economies during periods of economic declines. During the late 1970s, after completion of the oil pipeline, government employment remained stable and then began to grow again when much of the remainder of the economy performed poorly. The recent poor king crab harvests in Kodiak caused major economic dislocations in the local economy, but government provided some underlying stability. Employment in the region can fluctuate by as many as 8,400 jobs during the year within the region and in some areas the seasonal movement can be far greater. Government's relatively constant year-around employment has helped moderate the economic impact of these employment swings.

Local government includes the city, borough, village governments and the area's school district employment. City; village; or borough-run



utilities would also be included in this count. Approximately 3,200 people in the region earn $88 million annually from local government. This represents 16% of the employment and payroll in the region. Within the region Kodiak has the smallest percent of its employment in local government (14%) and the Valdez-Cordova area topped the region at 18%. The average job in local government in the region earns approximately $27,600 per year.

It remains unclear how many local government jobs will be lost. A major share of local government revenues come from the state. For example 42% of the Kenai Peninsula Borough's and 70% of the borough's school district funds come from the state, while 51% of Kodiak Island Borough's funds come from the state. Many local governments have announced planned layoffs and others such as the Kenai Peninsula Borough have already curtailed services. Though no exact measure exists to estimate the impact of the loss of a local government job, it could roughly translate into a loss of another one-half to one job in an area's economy.

State government employs 8%, or approximately 1,600 of the region's wage and salary employment, and contributes 10% of the total payroll. In the Valdez-Cordova area, a full 14% of the wage and salary work force is employed by the state compared to 6% in Kodiak. State government includes all of the community colleges in the region, the University of Alaska, the Alaska Railroad and the usual operations

Nonagricultural Wage and Salary Employment
By Place of Work
Gulf Coast

	p/ 7/86	r/ 6/86	7/85	Changes From: 6/86	7/85
Nonag. Wage & Salary	25750	22550	26000	3200	-250
Mining	800	800	900	0	-100
Construction	2000	2000	2500	0	-500
Manufacturing	7450	4000	7200	3450	250
Food & Kindred Prod.	6700	3300	6500	3400	200
All Other Mfg.	750	700	700	50	50
Trans. Comm. & Utilities	1750	1850	2000	-100	-250
Trade	4300	4300	4250	0	50
Wholesale	600	600	600	0	0
Retail	3700	3700	3650	0	50
Finance-Ins. & R.E.	650	650	650	0	0
Services & Misc.	3750	3650	3550	100	200
Government	5050	5300	4950	-250	100
Federal	550	550	550	0	0
State	1600	1550	1650	50	-50
Local	2900	3200	2750	-300	150

of state government. The "average" job in state government in the region pays a salary of $34,500.

How many layoffs there will be in local and state government remains an unknown. Though other industries in the region have already suffered from layoffs directly related to the decline in oil revenues, the fact that local and state government will also suffer layoffs indicates the broad scope and severity of this recent downturn in the regions economy.

Current Trends

The unemployment rate for the region fell with July's unemployment rate for the region measuring 11.2% compared to 13.3% in June. Fish processing employment was the largest contributor to the growth in employment and therefore the decline in unemployment. Fish processing employment grew from 3,300 jobs in June to 6,700 in July. Kodiak's unemployment rate was the lowest in the region at 5.3% and was closely followed by Valdez-Cordova's unemployment rate of 6.3%. The Kenai Peninsula unemployment rate of 14.3% continued to be the highest in the region.

The unemployment rate for all of the areas remains above year-ago levels, which indicates that the entire region's economy is continuing the slowdown which began earlier this year. No immediate relief is in sight, therefore the region's unemployment rate will remain above year-ago levels through the end of the year.

State and Local Government Employment and Payroll Gulf Coast Region 1985

Area	Annual Average Employment	Total Payroll	Percent of Area Total Employment	Payroll
Kenai Peninsula				
State Government	836	$28,484,681	7%	8%
Local Government	1,870	$52,272,568	15%	15%
Kodiak Island				
State Government	282	$ 9,647,431	6%	10%
Local Government	650	$16,580,054	14%	17%
Valdez-Cordova				
State Government	514	$18,145,632	14%	16%
Local Government	670	$19,323,743	18%	17%
Gulf Coast Region				
State Government	1,631	$56,277,744	8%	10%
Local Government	3,189	$88,176,365	16%	16%

Southeast Alaska

By John Boucher

Personal Income Data for Southeast Alaska

Every year the U.S. Department of Commerce, Bureau of Economic Analysis, publishes income data for the 23 census areas of Alaska. Census area income data lag income data for the state by one year, therefore the most recent income data available for the state are 1985 estimates while census area estimates are available only through 1984. This article summarizes 1984 income data for Southeast Alaska census areas.

The Juneau Borough census area had the highest per capita income in the region and the second highest per capita income in the state. Juneau has been among the leaders in per capita income for the last ten years, in 1974 Juneau had the highest per capita income in the state but it was overtaken by the North Slope Borough in 1981. Juneau's relatively high per capita income is due to the number of government jobs in the area which tend to provide stable year-round income. In the Juneau Borough more than 50% of all the wages earned are paid to government workers in the federal, state, local and military sectors. The next largest sector in terms of wages paid was the services industry which accounted for 14.9% of employment. Another reason for the high per capita income is the high labor force participation rate in Juneau.

The Ketchikan Gateway Borough census area had the second highest per capita income of the areas in Southeast Alaska. Ketchikan, with 31.3% of its total wages earned in the government sector, is a relatively high per capita income area. It is worth noting that in Ketchikan, government wages play a larger part in the areas total income picture than they did ten years ago. In Juneau the opposite has occurred, indicating that the nongovernment industries have been more successful in Juneau than in Ketchikan. This is in large part due to the decline in prominence of the lumber industry in the Ketchikan economy since 1974 which has contributed to Ketchikan falling from the second highest per capita income in the state in 1974 to the sixth highest in 1984.

The Haines Borough had the biggest gain in both per capita and total personal income from 1983 to 1984. This gain was not only the biggest jump in Southeast but in the state as well. The Haines census area benefitted in 1984 from the opening of a new sawmill which helped to boost the wage and salary earnings and subsequently the total personal income of the Haines Borough substantially. Unfortunately, this

gain in income will be short lived because the mill has since ceased operations.

The Wrangell-Petersburg census area experienced the sharpest decline in total and per capita income in Southeast Alaska as well as the state. The Wrangell-Petersburg situation is analogous to what happened in Haines only in the opposite direction. In 1983, the construction industry contributed over $30 million in wages to the economy, and the manufacturing industry contributed another $17 million. These two industries accounted for over 52% of the wages paid in the area. In 1984 construction dropped to $13 million and manufacturing dropped to $10.9 million. These drops dramatically lowered the total and per capita income in the area due to the end of several large state funded projects including a hydroelectric dam.

The Skagway-Yakutat-Angoon census area was the second fastest growing area in Southeast from 1983 to 1984 in terms of per capita income. Skagway-Yakutat-Angoon is dependent upon manufacturing for a large percentage of its total wage base. In 1984 35.9% of all wages paid were earned in the manufacturing sector but government was close behind with 30.3%.

Nonagricultural Wage and Salary Employment
By Place of Work
Southeast Alaska

				Changes From:	
	p/ 7/86	r/ 6/86	7/85	6/86	7/85
Nonag. Wage & Salary	31450	30650	31500	800	-50
Construction	1750	1700	2050	50	-300
Manufacturing	4550	3850	4350	700	200
Food & Kindred Prod.	1750	950	1800	800	-50
Lumber & Paper Prod.	2550	2650	2300	-100	250
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Utilities	2300	2350	2250	-50	50
Trade	4900	4750	4900	150	0
Wholesale	450	400	450	50	0
Retail	4450	4350	4450	100	0
Finance-Ins. & R.E.	1200	1150	1200	50	0
Mining, Services & Misc.	4800	4850	4750	-50	50
Government	11950	12000	12000	-50	-50
Federal	2200	2200	2150	0	50
State	5450	5450	5500	0	-50
Local	4300	4350	4350	-50	-50

The Prince of Wales-Outer Ketchikan and Sitka areas both have economies dependent upon the timber industry, and the income data reflects this in the amount of wages paid in the manufacturing industry. Because of a much stronger government presence in Sitka than in the Prince of Wales-Outer Ketchikan area, Sitka's per capita income is greater.

As a region, Southeast Alaska did not perform as well as the rest of the state in terms of growth in total personal income from 1983 to 1984. The statewide average growth was 4.8% while Southeast grew by 1.4%. Southeast Alaska's heavy dependance upon government and manufacturing, which were not strong growth industries in 1984, contributed to the slower growth rate. In addition, construction took a drop in terms of wages paid in several Southeast Alaska census divisions and that also held down growth in personal income.

Current Trends

Southeast Alaska wage and salary employment increased by 800 in July on the strength of additional jobs in the seafood processing sector. Some additional seasonal job were added in the trade industry, predominantly in the retail sector. When compared to one year ago Southeast employment is at approximately the same level. The only major changes since last July have occurred in the construction and lumber industries. Construction has lost 300 jobs since last July while lumber and paper products has gained 250 jobs since last July.

Table 1
1984 Per Capita Income by Census Area
Southeast Alaska 1984

	Per Capita Income	AK. Rank	% of AK. Avg.	% of U.S. Avg.	% Change 83-84
United States	$12,772	-	73%	100%	9.3%
Alaska	$17,550	-	100%	137%	1.0%
Haines Borough	$17,250	8	98%	135%	12.7%
Juneau Borough	$21,253	2	121%	166%	-5.6%
Ketchikan Gateway Bor.	$18,138	6	103%	142%	-2.1%
Prince of Wales-Outer Ketchikan	$14,460	13	82%	113%	-1.2%
Sitka Borough	$16,090	11	92%	126%	0.9%
Skagway-Yakutat-Angoon	$16,124	10	92%	126%	8.4%
Wrangell-Petersburg	$15,812	12	90%	124%	-12.9%

Table 2
Total Personal Income by Census Area
Southeast Alaska 1984

	Total Personal Income (thousands)	AK. Rank	% of AK. T.P.I.	% Change 83-84
Haines Borough	$ 32,344	22	0.4%	13.1%
Juneau Borough	$ 505,302	3	5.8%	5.6%
Ketchikan Gateway Bor.	$ 232,148	6	2.6%	-0.4%
Prince of Wales-Outer Ketchikan	$ 63,148	17	0.7%	0.9%
Sitka Borough	$ 119,741	9	1.4%	-0.8%
Skagway-Yakutat-Angoon	$ 56,386	19	0.6%	7.0%
Wrangell-Petersburg	$ 100,514	13	1.1%	-15.0%
Southeast Alaska	$1,109,313	-	12.6%	1.4%

Hours and Earnings

By John Boucher

Manufacturing Hours and Earnings and Industry Mix

This months hours and earnings data shows some dramatic fluctuations in the manufacturing industry. Some of the movement is due to actual economic events and some of the movement occurs because of a change in the overall composition of the manufacturing industry. Average hours worked in the food and kindred products sector increased dramatically in July as the salmon harvest occurred throughout the state. In comparison, average weekly hours in the lumber and paper products sector of the manufacturing industry declined over the month due to the closure of several logging camps for the Fourth of July weekend.

As shown in the table neither lumber and paper products or food and kindred products average hourly earnings dropped from June to July yet the average hourly earnings in the manufacturing industry dropped significantly. This is due to the change in the amount of food and kindred products employment in relation to lumber and paper products employment from June to July. Since the manufacturing industry as a whole employed many more seafood processing workers in July than in June the overall industry wage moved more toward the average wage for food and kindred products. Thus the two dollar an hour drop in the average hourly wage when the industry subtotal wages changed very little.